

**IOWA DEPARTMENT OF NATURAL RESOURCES
ADMINISTRATIVE CONSENT ORDER**

IN THE MATTER OF:

ALCOA, INC.

ADMINISTRATIVE CONSENT ORDER

NO. 2007-AQ-25

TO: Alcoa, Inc.
Corporation Service Company, Registered Agent
729 Ins. Exch. Bldg.
Des Moines, Iowa 50309

Jeffrey J. Lettrich
Alcoa, Inc.
201 Isabella Street
Pittsburgh, PA. 15212

I. SUMMARY

This administrative consent order is entered into between the Iowa Department of Natural Resources (DNR) and Alcoa, Inc. (Alcoa) for the purpose of resolving alleged air quality violations which occurred at Alcoa's Riverdale, Iowa site. In the interest of avoiding litigation, the parties have agreed to the provisions below.

Questions regarding this administrative consent order should be directed to:

Relating to technical requirements:
Dennis Thielen, Air Quality Bureau
Iowa Department of Natural Resources
7900 Hickman Road, Suite 1
Urbandale, Iowa 50322
Phone: 515/281-4899

Relating to legal requirements:
Anne Preziosi, Attorney for the DNR
Iowa Department of Natural Resources
7900 Hickman Road, Suite 1
Urbandale, Iowa 50322
Phone: 515/281-8563

Payment of penalty to:
Iowa Department of Natural Resources
Henry A. Wallace Building
Des Moines, Iowa 50319-0034

II. JURISDICTION

Pursuant to the provisions of Iowa Code sections 455B.134(9) and 455B.138(1) which authorize the director to issue any order necessary to secure compliance with or

RECEIVED
OCT 30²⁸ 2007

IOWA DEPARTMENT OF NATURAL RESOURCES
ADMINISTRATIVE CONSENT ORDER
ISSUED TO: ALCOA, INC.

prevent a violation of Iowa Code chapter 455B, Division II (air quality), and the rules promulgated or permits issued pursuant to that part; and Iowa Code section 455B.109 and 567 Iowa Administrative Code (IAC) chapter 10, which authorize the director to assess administrative penalties, DNR has jurisdiction to issue this administrative consent order.

III. STATEMENT OF FACTS

1. Alcoa operates a facility in Riverdale, Iowa that manufactures semi-fabricated and finished aluminum products. Alcoa is a major source of air emissions under the Title V regulations.
2. A September 28, 2004, Notice of Violation letter (NOV) was issued by DNR to Alcoa for failure to obtain supplemental construction permits prior to installing the Lime Silo (EU #S-314) and #15 Heat Treat Furnace (EU #S-333). The units were not constructed with vertical, unobstructed discharge as required by permits issued by DNR. Revised permits containing the dimensions actually constructed were issued by DNR on September 28, 2004. This failure to obtain supplemental permits was discovered and self-reported by Alcoa.
3. A September 26, 2006, NOV was issued by DNR to Alcoa for failure to obtain a construction permit prior to installing a bin vent filter in October 2005. A revised permit containing the manufacturer and model number for the bin filter was issued by DNR on September 28, 2006. This failure to obtain a construction permit was discovered and self-reported by Alcoa.

IV. CONCLUSIONS OF LAW

1. Iowa Code section 455B.133 provides that the Environmental Protection Commission shall establish rules governing the quality of air and emission standards. The Commission has adopted 567 IAC chapters 20-30 relating to air quality.
2. Pursuant to Iowa Code sections 455B.133 and 455B.134, 567 IAC 22.1(1) requires that a person who constructs, installs, reconstructs or alters equipment or control equipment must first obtain an air quality construction permit from the DNR, unless an exemption applies. A September 26, 2006, NOV was issued for the failure to timely obtain a construction permit prior to the installation of a bin vent filter.
3. Pursuant to Iowa Code sections 455B.133 and 455B.134, 567 IAC 22.3(3)"e" requires that if changes in the final plans and specifications are proposed by the permittee after a construction permit has been issued, a supplemental permit shall be obtained. A September 28, 2004, NOV was issued by DNR to Alcoa for failure to obtain supplemental permits.

V. ORDER

THEREFORE, it is hereby ordered and Alcoa agrees to do the following:

IOWA DEPARTMENT OF NATURAL RESOURCES
ADMINISTRATIVE CONSENT ORDER
ISSUED TO: ALCOA, INC.

1. Within 30 days of the date the director signs this administrative consent order, submit to DNR air quality construction permit applications for any unpermitted sources at Alcoa's facility in Riverdale, Iowa, that require a permit under the existing DNR rules and do not fall within any of the exemptions contained in 567 IAC 22.1(2);
2. Within 30 days of the date the director signs this administrative consent order, submit to DNR air quality supplemental construction permit applications for any sources constructed in a manner other than that permitted by DNR at Alcoa's facility in Riverdale, Iowa;
3. Comply with air quality construction permit requirements in the future;
4. Pay a penalty of \$2,000.00 within 60 days of the date the director signs this administrative consent order.

VI. PENALTY

Pursuant to the provisions of Iowa Code section 455B.109 and 567 IAC chapter 10, which authorize the director to assess administrative penalties, a penalty of \$2000.00 is assessed effective 30 days from the date this order is signed by the director. The penalty shall be paid within 60 days of the date this order is signed by the director. The administrative penalty is determined as follows:

Iowa Code section 455B.146 authorizes the assessment of civil penalties of up to \$10,000.00 per day of violation for the air quality violations involved in this matter. More serious criminal sanctions are also available pursuant to that provision.

Iowa Code section 455B.109 authorizes the Environmental Protection Commission to establish by rule a schedule of civil penalties up to \$10,000.00 that may be assessed administratively. The Commission has adopted this schedule with procedures and criteria for assessment of penalties through 567 IAC chapter 10. Pursuant to this chapter, DNR has determined that the most effective and efficient means of addressing the above-cited violations is the issuance of an administrative consent order with a penalty of \$2,000.00.

VII. WAIVER OF APPEAL RIGHTS


This administrative consent order is entered into knowingly and with the consent of Alcoa. For that reason, Alcoa waives its rights to appeal this order or any part thereof.

VIII. NONCOMPLIANCE

Failure to comply with this order, including failure to timely pay any penalty, may result in the imposition of further administrative penalties or referral to the attorney general to obtain injunctive relief and civil penalties pursuant to Iowa Code section 455B.146. Compliance with Section "V. Order" of this administrative consent order constitutes full

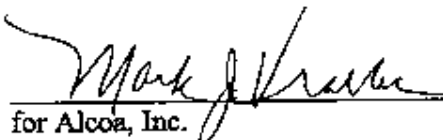
IOWA DEPARTMENT OF NATURAL RESOURCES
ADMINISTRATIVE CONSENT ORDER
ISSUED TO: ALCOA, INC.

satisfaction of all requirements pertaining to the specific violations described in Section "IV. Conclusions of Law" of this administrative consent order. DNR reserves the right to bring enforcement action, including penalties, or to request that the attorney general initiate legal action to address other violations not described in Section "IV. Conclusions of Law" of this administrative consent order but which may arise from the facts summarized in Section "III. Statement of Facts" of this administrative consent order. DNR specifically reserves the right to pursue enforcement action, including penalties, for any current violations not specifically cited in this order.



RICHARD LEOPOLD, DIRECTOR
Iowa Department of Natural Resources

Dated this 12 day of
November, 2007.



for Alcoa, Inc.

Dated this 12th day of
October, 2007.

82-01-002; Anne Preziosi; Kyle Ament; EPA; VII.A.1; VII.A.2